

# Hybrid workshops relating to A6.2

International registry

October 2023, Bonn



### Context

Decision 2/CMA.3, annex, paras 29-31:

- Each participating Party shall have, or have access to, **a registry** for the purpose of tracking and shall ensure that such registry records, including through **unique identifiers**, as applicable, **authorization**, **first transfer**, **transfer**, acquisition, **use** towards NDCs, authorization for use towards other international mitigation purposes, and voluntary **cancellation** ... and shall have **accounts** as necessary.
- The secretariat shall implement an **international registry** for participating Parties that **do not have or do not have access to** a registry. ... **Any Party may request an account** in the international registry.
- The international registry shall be part of the **centralized accounting and reporting platform**...



## Context

Decision 6/CMA.4:

- Isolated **Party-specific sections**
- Cross-sectional **consistency**
- Secretariat to implement, host and administer
- **Accounts** shall enable the tracking and recording of information in relation to the **ITMO actions** they record
- Automatic pre-filling of the **AEF**
- **Reporting** to Parties and the public, handling of confidential information
- **Interoperability** subject to further guidance by the CMA



## Topics to discuss today

- What are the **types of accounts** that all registries should have?  
Which types need to be supported by the international registry?
- Can mitigation outcomes be recorded in national registries or the international registry **prior to authorization**?
- What should be the role of the international registry administrator in the **identification of authorized entities**?



## Status of implementation



\* Subject to **availability of funding**



## Timeline, including procurement

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### Features and particularities of the international registry

- High value assets = risk landscape of a **financial system**
- **AEF** data generation
- Cover **most use cases** Parties may have:



Transactional



Accounting

- Multi-account-type
- Multi-cooperative-approach
- Entity accounts

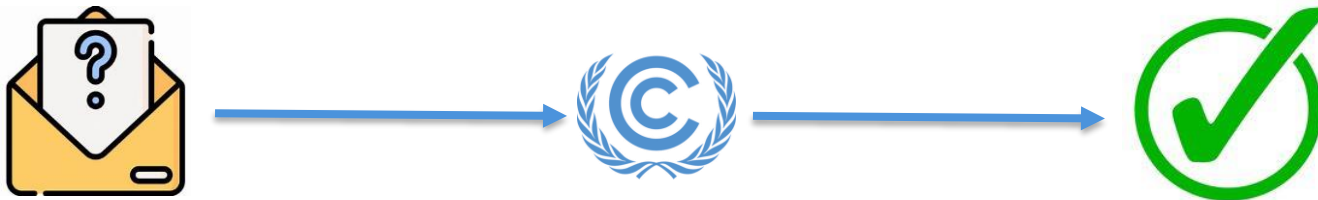
## Services of the international registry

- Recording authorization and transfer of ITMOs
- Set up “Party-specific sections”
- Set up accounts for Parties and entities
- Set up transactional accounts to track ITMOs
- Set up higher-tier accounts to track the movement of ITMOs
- Provide data for the pre-filling of the AEF
- Have basic rules to handle the turnover of ITMOs under cooperative approaches
- Be interoperable with the mechanism registry and national registries



## Procedures for the international registry

- Developed and maintained by the secretariat under CMA guidance
- Allow administrative actions such as the temporary suspension of business rules and acting on behalf of another user, with transparent tracking, to recover from operational errors





## Mitigation outcomes prior to authorization

- If authorization needs to be specific, it needs to include the unique identifier of the ITMO being authorized
- The unique identifier is generated when the ITMO is generated in the registry
- The MO also stays unauthorized in the registry if its authorization is revoked
- => The “MO” needs to be generated in the registry at or before the moment of generation of the ITMO

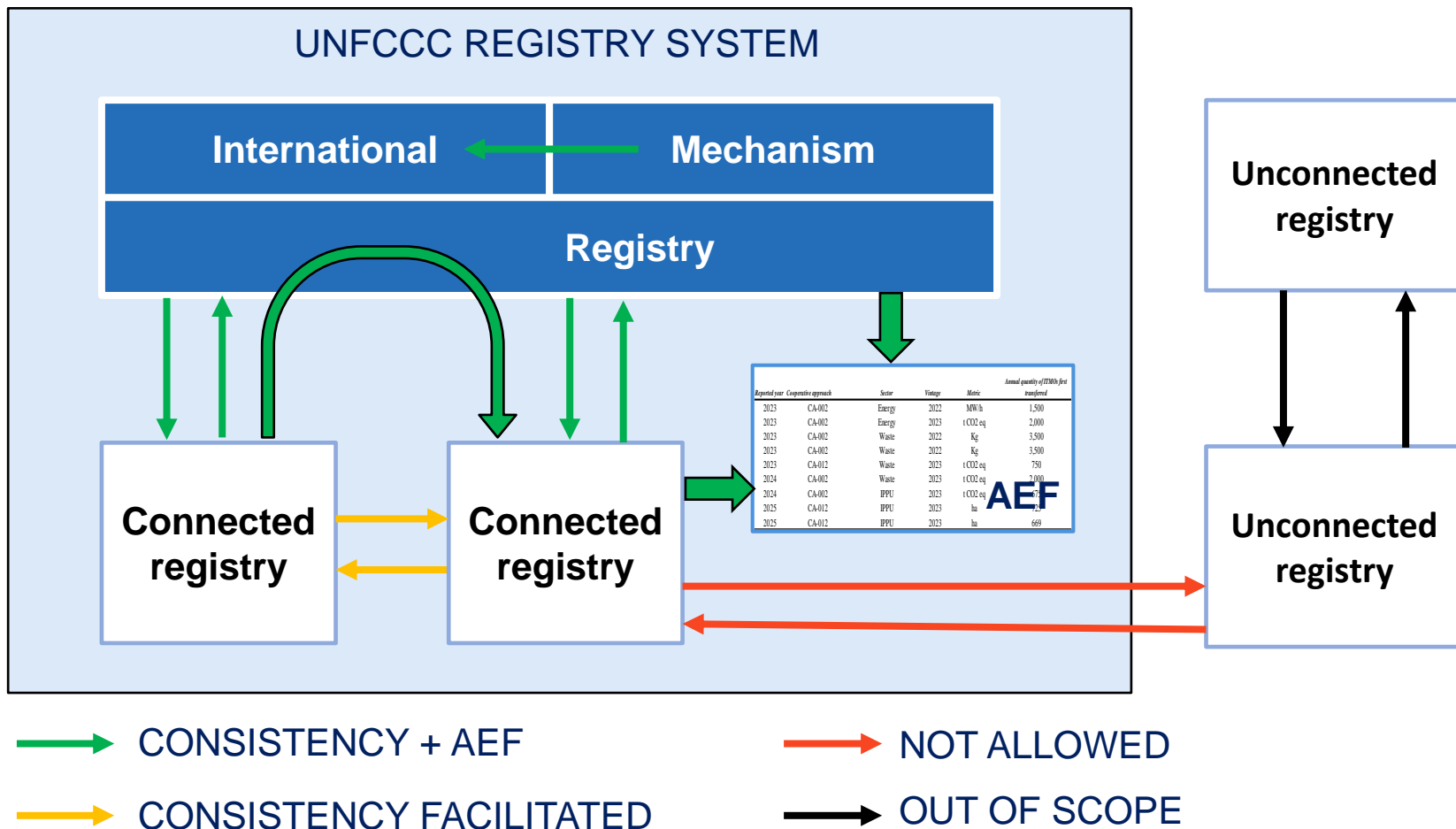


## Account types

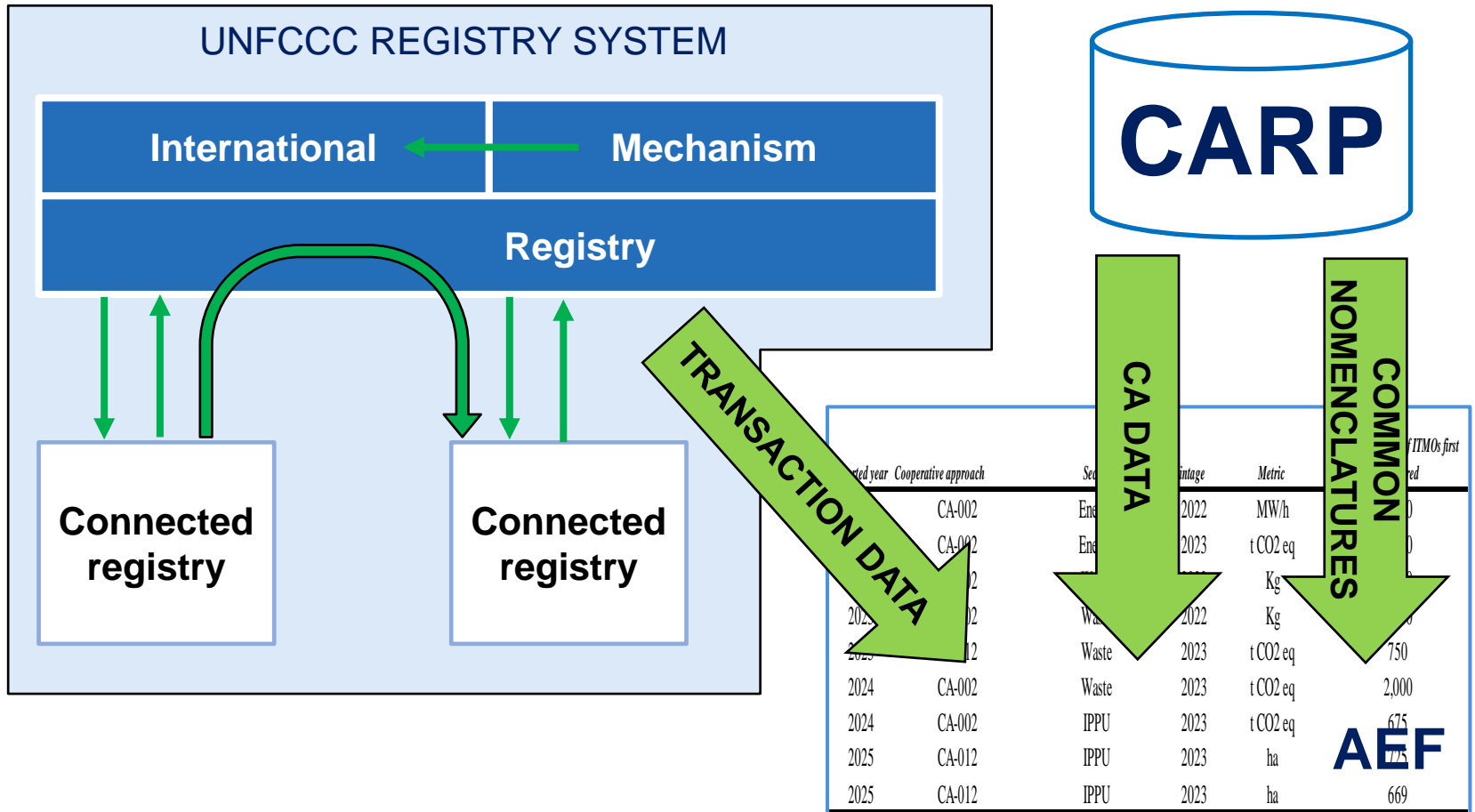
- Pre-authorization
- Holding
  - Party
  - Entity
- Use (retirement for 6.4)
- IMP and OMP cancellation
- Other cancellation types



## Consistency guarantees and pre-filling of the AEF



## Sufficiency of information for the generation of the AEF



### Entity accounts

- Entity identification should be done rigorously, similar to the way banks identify their clients (**KYC** checks)
- Established practice under the CDM:
  - Project participants (account holders) initially introduced by a DOE
  - For subsequent changes, the secretariat has an internal procedure that requires further (light) identification in some cases
- Either the Party or the secretariat should take the **responsibility for identifying** prospective account holders
- **Minimum standard of identification** (government ID checks, inquiries) should be practiced when granting opening of international registry accounts.



## Summary

- The international registry needs to sufficiently cover the **different Parties' needs**, including having transactional and higher-tier accounts
- It appears practical to **allow tracking of MOs prior to authorization** in the international registry, without the possibility to internationally transfer, use them for any purpose and without the possibility to associate them with the international registry
- The international registry will be in a position to **pre-fill the AEF** and **guarantee consistency** to connected registries
- Secure **identification of entities** is a concern and guidance would be needed on the risk appetite in the question of entity identification, the appropriate level of checks required, and the role of Parties and the secretariat in carrying out these checks.

